



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

January 28, 2010

Jason Young, Vice President
Allan Company
14600 Joanbridge Street
Baldwin Park, CA 91706

Dear Mr. Young:

RE: FINAL MONITORING REPORT for ALLAN COMPANY – ET08-0250

| | |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| Date of the Visit: | 01/28/10 |
| Beginning/Ending Time: | 9:30 a.m. – 11:30 a.m. |
| Date of Last Visit: | 08/19/09 |
| Visit Location: | Baldwin Park |
| Persons in attendance: | Kara Bouton, Administrative Manager, Allan Company Brent Bartlett, COO, Spectra Consulting Margarita M. Paccarelli, Contract Analyst, ETP |
| Action Required: | No |

CONTRACT INFORMATION:

| | | | |
|----------------------------------|---------------------|----------------------|-----------|
| Term of Agreement: | 12/24/07 – 12/23/09 | Agreement Amount: | \$336,000 |
| Training Start Date: | 02/19/08 | No. to Retain: | 200 |
| Date Training must be Completed: | 09/23/09 | Range of Hours: | 24 - 200 |
| Type of Trainee: | Retrainee | Weighted Ave. Hours: | 112 |

FINAL REPORT SUMMARY

• HISTORY OF AGREEMENT CHANGES

The Agreement was executed on January 22, 2008 and training began on February 29, 2008. Records show that all training and the 90-day retention period were completed within the term ending date of the Agreement – December 23, 2009.

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www.etp.ca.gov
ETP (05/16/07)

- **FINAL PROJECT STATISTICS**

Your Agreement contains a variable training plan, which means that reimbursement will be based on the total actual number of training hours completed by each trainee between 24 and 200 class/lab training hours. There will be no reimbursement for any trainee who does not complete a minimum of 24 hours of training from the required curriculum.

Based on the data obtained from the ETP Online Tracking System, there are 58 trainees who met the minimum class/lab training hours. There are 8,237 total training hours completed by these trainees with projected earnings of \$123,555 (37% of the Agreement amount). Since your company has received \$93,003 from ETP, your company will receive an additional \$30,552, if the anticipated number to retain is verified during the final fiscal closeout. A final closeout invoice was submitted to ETP on January 2, 2010.

- **INTERVIEW WITH CONTRACTOR'S REPRESENTATIVE**

On a written statement from Ms. Bouton, she wrote...

"Allan Company was pleased to participate in the ETP program. This was our first time using the training funds and our employees were very appreciative of the training that was provided.

However, our training plans had to be deferred when we suffered significant decreases in the pricing of our commodities and general business slowdown due to the economic downturn. We were fortunate to be able to create efficiencies to survive these drastic declines in business and are proud that we were able to achieve these efficiencies without a significant impact to our workforce. Unfortunately, these efficiencies prevented us from continuing our training programs.

While we were not able to complete the total of our allotted training hours, the programs that we did complete were very successful. As a first-time user of the program, we found that this was an accessible and understandable program from start to finish. The application was straightforward and staff was very helpful throughout. Additionally, the online system made reporting easy. As the economy improves, we would consider a second training program at Allan Company."

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

| | | | |
|-------------------------------|-----|----------------------|----|
| Trainees Enrolled: | 216 | Completed Retention: | 58 |
| Dropped Following Enrollment: | 158 | In Retention Period: | 0 |
| Completed Training: | 58 | | |

The project statistics provided by your project staff matches those listed on the current ETP Contract Status Report.

TRAINING RECORDS

Ms. Paccereilli conducted a random sampling of 14 trainees who completed training. Records reviewed validated the completion of the training hours required in this Agreement. Records show that these trainees completed between 24 and 52 class/lab training hours and the completed hours matches those posted on the ETP Online Tracking System. Records reviewed confirmed that the Agreement curriculum was provided as specified and the ratio of trainer to trainee delineated in the Agreement training plan was adhered to.

The above findings are based only on the training records reviewed during this visit and represent only a sample of the training records completed to date. Therefore, it is your responsibility to ensure that all training records comply with Panel requirements for auditing purposes. (Reference: Title 22 California Code of Regulations, Section 4442)

AUDIT

Your company will be notified in writing if this agreement is selected for an audit that will be conducted either at your site (field audit) or by telephone if selected for a desk review. These notifications will be sent in advance to allow ample preparation time and will include a list of documentation that will be examined by the auditor. A list of the documentation typically examined during an audit will be included along with the Audit Notification and Audit Confirmation letters.

To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Margarita Paccereilli at (818) 755-1317 or by email at mpaccereilli@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Wally Aguilar, Program Manager
North Hollywood Regional Office

Signature on file

Margarita M. Paccarelli, Analyst
North Hollywood Regional Office

cc: David Guzman, Chief, ETP Audit & Program Operations Division (via email)
Kulbir Mayall, ETP Fiscal Manager (via email)
Karen Bouton, Allan Company (via email)
Brent Bartlett, Spectra Consulting (via email)
Master File
Project File

Date report mailed to Contractor 2/4/10